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THOMAS R. FALLQUIST
SPOKANE COUNTY

**STATE OF WASHINGTON
SPOKANE COUNTY SUPERIOR COURT**

STATE OF WASHINGTON,

Plaintiff,

v.

REGAL SATELLITE, LLC; and BRADY
KENNETH NELSON, individually and as part of
his marital community,

Defendants.

NO. **06205088-1**

CONSENT DECREE

(CLERK'S ACTION
REQUIRED)

I. JUDGMENT SUMMARY

- | | | |
|------------|------------------------------------|---|
| 1.1 | Judgment Creditor: | State of Washington |
| 1.2 | Judgment Debtors: | Regal Satellite, LLC; and Brady Kenneth Nelson, individually and part of his marital community |
| 1.3 | Principal Judgment Amount: | |
| | a. Civil Penalties: | \$25,000.00 (\$20,000.00 suspended conditioned on full compliance with this Consent Decree for a period of 36 months) |
| | b. Restitution | None. |
| 1.4 | Costs & Attorneys Fees: | \$12,000.00 |
| 1.5 | Total Judgment: | \$37,000.00 (\$20,000.00 suspended |

1 conditioned on full compliance with this
2 Consent Decree for a period of 36 months)

3 **1.6 Post Judgment Interest Rate:** 12% per annum

4 **1.7 Attorneys for Judgment Creditor:** Shannon E. Smith and Jack G. Zurlini,
5 Assistant Attorneys General

6 **1.8 Attorney for Judgment Debtors:** Stephen H. Ford, Attorney at Law

7 Plaintiff, STATE OF WASHINGTON, having commenced this action on November 21,
8 2006, pursuant to the Charitable Solicitations Act, 19.09 RCW, the Consumer Protection Act,
9 19.86 RCW, and RCW 80.36.400, Defendants, REGAL SATELLITE, LLC; and BRADY K.
10 NELSON, in his capacity as President and owner of Regal Satellite, LLC, individually and as part
11 of his marital community, having been served with a Summons and Complaint in this matter; and

12 Plaintiff appearing by and through its attorneys, Rob McKenna, Attorney General, and
13 Shannon E. Smith and Jack G. Zurlini, Assistant Attorneys General; and Defendants appearing by
14 and through their attorney, Stephen H. Ford; and

15 Plaintiff and Defendants having agreed on a basis for the settlement of the matters alleged
16 in the Complaint, and to the entry of this Consent Decree against Defendants without the need for
17 trial or adjudication of any issue of law or fact; and

18 Plaintiff and Defendants having agreed that this Consent Decree does not constitute
19 evidence or an admission regarding the existence or non-existence of any issue, fact, or violation
20 of any law alleged by Plaintiff; and

21 Defendants recognize and state that this Consent Decree is entered into voluntarily and
22 that no promises or threats have been made by the Attorney General's Office or any member,
23 officer, agent or representative thereof to induce it to enter into this Consent Decree, except as
24 provided herein; and

25 Defendants waive any right they may have to appeal from this Consent Decree; and
26

1 Defendants further agree that they will not oppose the entry of this Consent Decree on the
2 grounds the Consent Decree fails to comply with Rule 65(d) of the Rules of Civil Procedure, and
3 hereby waives any objections based thereon; and

4 Defendants further agree that this Court shall retain jurisdiction of this action for the
5 purpose of implementing and enforcing the terms and conditions of the Consent Decree and for all
6 other purposes; and

7 The Court finding no just reason for delay;

8 **NOW, THEREFORE**, it is hereby **ORDERED, ADJUDGED, AND DECREED** as
9 follows:

10 **II. GENERAL**

11 **2.1 Jurisdiction.** This Court has jurisdiction over the subject matter of this action and
12 over the parties. The Plaintiff's Complaint in this matter states claims upon which relief may be
13 granted under the provisions of the Charitable Solicitations Act, RCW 19.09, the Consumer
14 Protection Act, RCW 19.86, and RCW 80.36.400.

15 **2.2 Defendants.** For purposes of this Consent Decree the term "Defendants" where
16 not otherwise specified shall mean REGAL SATELLITE, LLC; and BRADY KENNETH
17 NELSON, individually and as part of his marital community.

18 **III. INJUNCTIONS**

19 **3.1 Application of Injunctions.** The injunctive provisions of this Consent Decree shall
20 apply to the Defendants, and the Defendants' successors, assigns, officers, agents, servants,
21 employees, representatives, affiliates, and all other persons or entities in active concert or
22 participation with the Defendants.

23 **3.2 Notice.** Defendants shall immediately inform all successors, assigns, transferees,
24 officers, agents, servants, employees, representatives, attorneys and all other persons or entities in
25 active concert or participation with Defendants of the terms and conditions of this Consent
26 Decree.

1 **3.3 Injunctions.** Defendants and all successors, assigns, transferees, officers, agents,
2 servants, employees, representatives, affiliates, attorneys and all other persons or entities in active
3 concert or participation with Defendants are hereby permanently enjoined and restrained from
4 directly or indirectly engaging in the following acts or practices in sales to Washington
5 consumers:

6 (a) Using automatic dialing and announcing devices (ADADs) for commercial
7 purposes, including any telephone solicitation activities where Defendants act directly or
8 indirectly as a commercial fundraiser or commercial coventurer for The Cancer Relief Fund or
9 any other entity, regardless of whether Defendants enter into a commercial fundraiser or
10 commercial coventurer contract with the entity;

11 (b) Making telephone solicitation calls to any person whose name appears on
12 the national Do Not Call registry or making repeat telephone solicitation calls to any person who
13 requests Defendants remove their name from Defendants' telephone solicitation list;

14 (c) Representing, directly or by implication, in any telephone solicitation or in
15 any advertising, promotional, or informational material Defendants are affiliated, associated, or
16 partnered with The Cancer Relief Fund or any other charitable organization unless Defendants are
17 registered as a commercial fundraiser or commercial coventurer with the Secretary of State;

18 (d) Engaging in any fundraising activities for or on behalf of The Cancer
19 Relief Fund or any other entity unless that entity is registered as a charitable organization with the
20 Secretary of State;

21 (e) Representing, either directly or by implication, that any of its marketing,
22 sales, business practices, or any of its activities have been approved, endorsed, or permitted by
23 the Office of the Attorney General;

24 (f) Representing, either directly or by implication, that it is lawful for
25 Defendants to use ADADs or call telephone subscribers whose names appear on the national Do
26 Not Call Registry because Defendants are affiliated, associated, or partnered with The Cancer

1 Relief Fund or any other charitable organization;

2 (g) If Defendants conduct commercial fundraising or commercial
3 coventurer activities for or on behalf of The Cancer Relief Fund, or any other charitable
4 organization that is now or in the future organized in which Brady Nelson, Danna Nelson, or
5 Ryan Nelson have any direct or indirect pecuniary interest or are officers or directors,
6 Defendants must clearly and conspicuously disclose the relationship in writing to potential
7 contributors or purchasers.

8 **IV. CIVIL PENALTIES**

9 4.1 Pursuant to RCW 19.86.140, Plaintiff shall have and recover, and Defendants shall
10 be liable for and shall pay, civil penalties of \$25,000.00. However, \$20,000.00 of the penalties
11 are suspended conditioned upon Defendants' full compliance with the terms of this Consent
12 Decree for a period of thirty-six (36) months from entry of this Consent Decree.

13 4.2 Payment owing under this provision shall be in the form of a valid check paid to
14 the order of the "Attorney General—State of Washington" and shall be due and owing
15 immediately upon entry of the Consent Decree. Payment shall be sent to the Office of the
16 Attorney General, Attention: Cynthia Lockridge, Administrative Office Manager,
17 800 Fifth Avenue, Suite 2000, Seattle, Washington, 98104-3188.

18 **V. ATTORNEY'S COSTS & FEES**

19 5.1 Pursuant to RCW 19.86.080, Plaintiff shall recover and Defendants shall pay the
20 costs and reasonable attorney's fees incurred by the Plaintiff in pursuing this matter in the amount
21 of \$12,000.00, payable upon entry of this Consent Decree.

22 5.2 In any successful action to enforce any part of this Consent Decree, Defendants
23 will pay the Attorney General its attorney's fees and costs, including reasonable attorney's fees as
24 provided by RCW 19.86.080.

25 5.3 Payment owing under this provision shall be in the form of a valid check paid to
26 the order of the "Attorney General—State of Washington" and shall be due and owing

1 immediately upon entry of the Consent Decree. Payment shall be sent to the Office of the
2 Attorney General, Attention: Cynthia Lockridge, Administrative Office Manager,
3 800 Fifth Avenue, Suite 2000, Seattle, Washington, 98104-3188.

4 **VI. ENFORCEMENT**

5 **6.1** Violation of any of the injunctions contained in this Consent Decree, as
6 determined by the Court, shall subject the Defendant to a civil penalty of up to \$25,000.00 per
7 violation pursuant to RCW 19.86.140.

8 **6.2** Violation of any of the terms of this Consent Decree, as determined by the Court,
9 shall constitute a violation of the Consumer Protection Act, RCW 19.86.020.

10 **6.3** This Consent Decree is entered pursuant to RCW 19.86.080. Jurisdiction is
11 retained for the purpose of enabling any party to this Consent Decree with or without the prior
12 consent of the other party to apply to the Court at any time for enforcement of compliance with
13 this Consent Decree, to punish violations thereof, or to modify or clarify this Consent Decree.

14 **6.4** Representatives of the Office of the Attorney General shall be permitted to access,
15 inspect and/or copy all business records or documents under control of Defendants in order to
16 monitor compliance with this Consent Decree within 14 days of written request to Defendants,
17 provided that the inspection and copying shall be done in such a way as to avoid unreasonable
18 disruption of Defendant's business activities. Failure to comply with this section will subject
19 Defendants to a minimum civil penalty of \$2,000 per day for each day beyond 14 days after the
20 written request that the Attorney General is prevented by Defendants from accessing all records as
21 provided by this paragraph.

22 **6.5** Representatives of the Office of the Attorney General may be permitted to
23 question Defendants, or any officer, director, agent, or employee of any corporation affiliated
24 with Defendants, in deposition, pursuant to the provisions and notice requirements of CR 30, in
25 order to monitor compliance with this Consent Decree.
26

6.6 Nothing in this Consent Decree shall be construed as to limit or bar any governmental entity or consumer from pursuing other available remedies against Defendants.

6.7 Under no circumstances shall this Consent Decree or the name of the State of Washington, the Office of the Attorney General, Consumer Protection Division, or any of their employees or representatives be used by any Defendants named in the Complaint in connection with any selling, advertising, or promotion of products or services, or as an endorsement or approval of Defendants' acts, practices or conduct of business.

VII. DISMISSAL AND WAIVER OF CLAIMS

7.1 Upon entry of this Consent Decree, all claims in this matter, not otherwise addressed by this Consent Decree are dismissed.

DONE IN OPEN COURT this _____ day _____, 2006.

James C. Condit

Judge/Court Commissioner

COURT COMMISSIONER

Approved for entry and presented by:

Approved for Entry, Notice of Presentation

Waived:

ROB MCKENNA

Attorney General

SHANNON E. SMITH, WSBA #19077

~~JACK G. ZURLINI, WSBA #30621~~

Assistant Attorneys General

Attorneys for Plaintiff

State of Washington

STEPHEN H. FORD, WSBA #22209

Attorney for Defendants

REGAL SATELLITE, LLC

Defendant

By: Brady K. Nelson

BRADY K. NELSON

Defendant